

# Medicare Advantage and Part D Contract Compliance & Oversight Overview

Michelle Turano, Deputy Director  
Program Compliance and Oversight Group (PCOG)  
Center for Drug and Health Plan Choice (CPC)



# Session Overview

- CMS Compliance & Oversight Structure
- Oversight Strategy
- Oversight Activities
- Alignment of Audit Approach
- Compliance Plans/Programs
- What's on the Horizon?

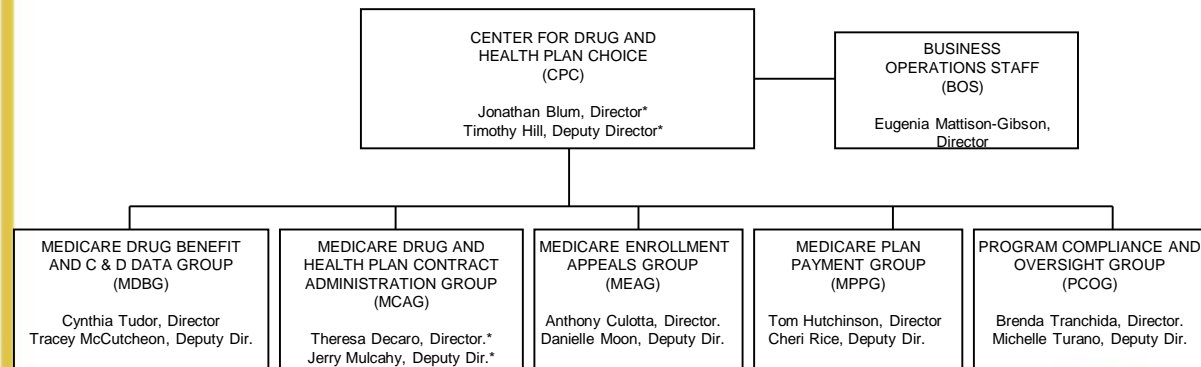


# CMS Compliance & Oversight Structure

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
CENTERS FOR MEDICARE & MEDICAID SERVICES

APPROVED  
LEADERSHIP

As of  
April 1, 2009  
\*Denotes Acting



# CMS Compliance & Oversight Structure

## June 2008 Reorganization - Key Goals

- Enhanced focus on:
  - Compliance/oversight activities
  - Data collection and analysis
  - Risk assessment/management
  - Integrated MA/Part D activities
  - Consistency
  - Communication/collaboration
  - Transparency



# Oversight Strategy

## Goals:

- Protect Beneficiaries
- Offer Value in Benefit Offerings
- Make Appropriate Payments
- Ensure Accountability with Program Rules

# Oversight Strategy

## Specific Strategies:

- Data Driven – quantifiable performance metrics and monitoring measures
- Proactive – prevent, detect and respond (“find and fix”)
- Focused – targeted on risks

# Oversight Activities

## Specific Activities:

- Contracting
- Account Management and Day-to-Day Monitoring
- Data Monitoring, Performance Assessment and Surveillance
- Auditing
- Progressive Enforcement

## Alignment of Audit Approach With Oversight Strategy

- Shift from routine audits to more targeted audits
- Known risks or identified concerns
- Outcomes (vs. policies/procedures)
- Targeted on individual performance issues or high risk areas with greatest beneficiary harm potential
- Includes comprehensive audits and random selection



## Alignment of Audit Approach With Oversight Strategy

- Targeted program audits
  - Agent/broker (compensation, licensure, testing and training audits)
  - Compliance program effectiveness
  - Appeal and grievances
  - SNP enrollment eligibility audits
  - Part D LIS readiness audits

# Compliance Plans/Programs

- “Compliance” refers to:
  - (1) all contract compliance requirements; and
  - (2) includes FWA compliance elements and requirements

# Compliance Plans/Programs

- Effective, comprehensive compliance programs are key to meeting CMS requirements
- Includes requirement to implement programs to control and combat fraud, waste and abuse (FWA)

# Compliance Plans/Programs

- Metrics, effective internal controls, monitoring, reporting and risk assessment
- Oversight of internal operations and any delegated entities, contractors, etc.

# What's On the Horizon?

- Oversight - more rigorous, proactive, data-driven, targeted to known risks
- Audits - more timely, targeted on known risks, outcome-based, integrated into a host of methods for oversight
- Compliance plans/programs - targeted reviews of all programs to ensure proper oversight and outcomes

# What's On the Horizon?

- Compliance training and educational initiatives targeted to Chief Compliance Officers and staffs
- Focus on internal controls (operations, delegated entities) especially areas that have potential to adversely affect beneficiaries (e.g., issuing timely and correct ANOCs/EOCs, oversight of delegated entities, agent/broker marketing)

# What's On the Horizon?

- Improved coordination & exchange of information with the States to better support our respective oversight and enforcement roles
- OIG work plan and GAO focus – appeals and grievances, agent/broker compensation requirements, compliance programs (expect similar heightened focus from CMS)

# Questions?

[michelle.turano@cms.hhs.gov](mailto:michelle.turano@cms.hhs.gov)

(410) 786-3418

